AC225-1

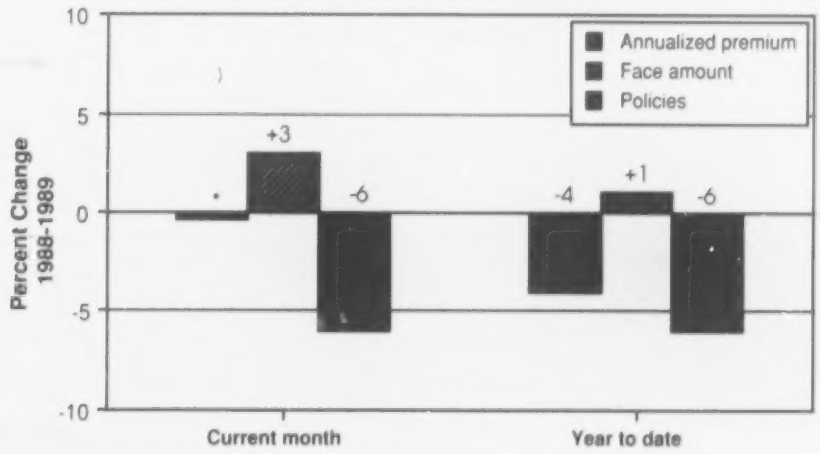
I/R Code 47.40

November 1989

MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

Individual Sales

122 Companies

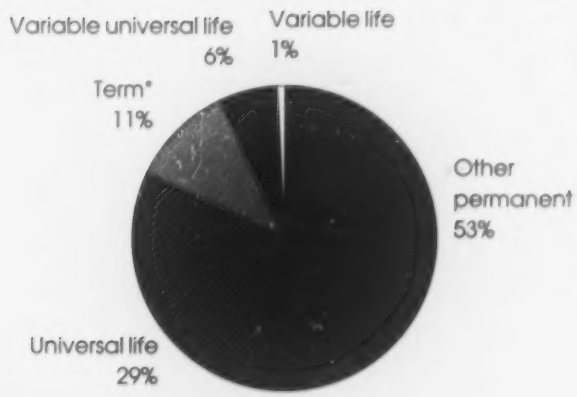


* Less than 1/2 of -1 percent

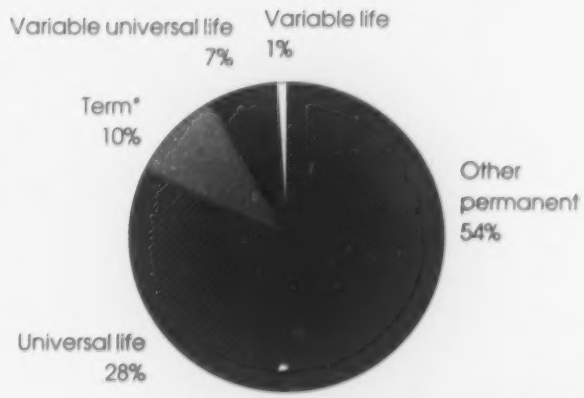
Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

Annualized Premium Market Share by Product

Current Month



Prior 12 Months (November 1988 – October 1989)



*Estimated based on 85 companies

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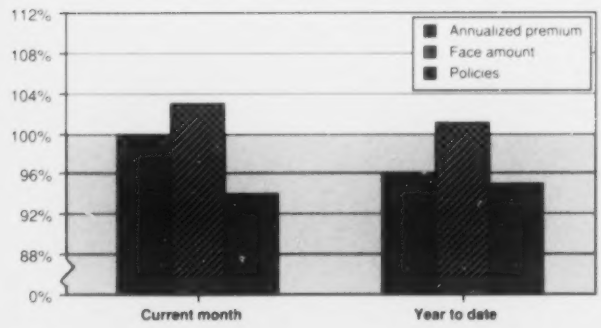
Profit from our research.

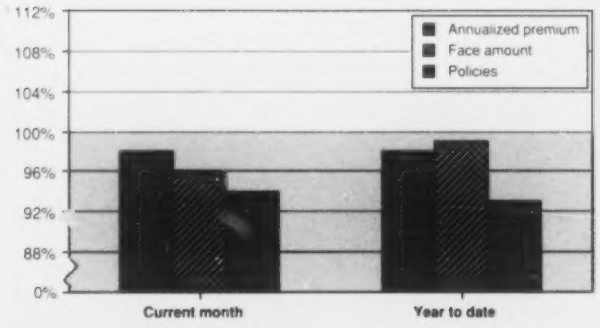
111 Ordinary Companies and Departments

Ratio 1989/1988



17 Home Service Companies and Departments

Ratio 1989/1988



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and departments	$15.58	$ 13,904	$ 217
Total ordinary companies and departments	$ 9.20	$ 94,179	$ 866
Total sales	$ 9.57	$ 70,379	$ 673

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (85 cos.)	$ 2.56	$ 160,979	$ 412
Universal life (106 cos.)	$10.60	$ 93,746	$ 994
Variable life (18 cos.)	$13.26	$ 85,024	$ 1,128
Variable universal life (28 cos.)	$12.26	$ 99,804	$ 1,223
Other permanent* (84 cos.)	$16.81	$ 37,617	$ 632

*Includes current-assumption whole life

Sales Comparisons with Last Year

Year to Date Ratio 1989/1988

	Annualized premium	Face amount	Number of policies
Term (85 cos.)	99%	99%	93%
Universal life (106 cos.)	103%	103%	99%
Variable life (18 cos.)	49%	66%	55%
Variable universal Life (28 cos.)	85%	90%	98%
Other permanent* (84 cos.)	93%	101%	92%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
Month	$ 155,333	$ 90,218	58%	$ 493,262	$ 499,261	101%
Year to date	$ 3,166,213	$ 921,186	29%	$ 5,224,807	$ 5,249,970	100%

Universal Life

Interest Rates This Month

Median	8.6%
Range	6.9% - 10.0%
Range of middle 50%	8.2% - 9.0%
Number of companies reporting	95
Number of plans reported	282

Contributors' Growth Rates

Change in Annualized Premium
Year to Date

Percent change 1988 - 1989	Number of . . . Ordinary cos./depts.	Home service cos./depts.
21% or over	12	0
11% – 20%	19	2
1% – 10%	27	5
-9% – 0	27	7
-19% – -10%	15	2
-20% or under	11	1

November Sales*

	Annualized premium+ (000)			Face amount (000)			Number of policies		
122 Companies									
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 404,048	$ 417,960	103%	$ 38,934,200	$ 41,904,820	108%	593,968	596,641	100%
February	479,551	434,446	91	47,744,168	45,855,821	96	769,032	683,640	89
March	555,728	533,811	96	55,488,376	55,729,040	100	896,932	815,879	91
April	524,433	477,191	91	51,690,501	50,548,858	98	792,835	743,981	94
May	520,065	517,572	100	51,485,698	53,751,687	104	782,494	769,119	98
June	539,285	520,974	97	53,346,058	54,142,620	101	808,453	760,232	94
July	482,916	441,622	91	47,386,383	46,168,872	97	702,637	646,257	92
August	524,250	496,869	95	52,200,904	52,529,171	101	778,479	727,283	93
September	512,260	489,036	95	50,737,064	50,116,658	99	757,319	717,634	95
October	490,097	504,325	103	51,185,117	53,666,859	105	760,930	753,357	99
November	508,795	508,283	100	52,466,878	53,834,297	103	766,309	718,036	94
December	704,477			65,866,897			850,328		
Year Total	$6,245,905			$618,532,244			9,259,716		
Year to date	$5,541,428	$5,342,089	96%	$552,665,347	$558,248,703	101%	8,409,388	7,932,059	94%
111 Ordinary Companies and Departments									
Month	$ 463,591	$ 464,156	100%	$ 49,486,775	$ 50,986,664	103%	552,188	516,574	94%
Year to date	$5,022,236	$4,832,514	96%	$519,608,967	$525,549,382	101%	5,885,593	5,580,303	95%
17 Home Service Companies and Departments									
Month	$ 45,204	$ 44,127	98%	$ 2,980,103	$ 2,847,633	96%	214,121	201,462	94%
Year to date	$519,192	$509,575	98%	$33,056,380	$32,699,321	99%	2,523,795	2,351,756	93%

+Includes 10 percent of single premiums

*Excludes $210 million of corporate-owned life insurance premiums reported in 1988 and $273 million reported in the first eleven months of 1989.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance — face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration) and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 122 companies — and their 56 subsidiary companies — operating in the United States. These contributors represent 61 percent of the 1987 United States ordinary volume sold and 69 percent of 1987 *first-year collected* premiums. Since no industry data are available on total *annualized* new ordinary premiums, the proportion of annualized premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

Company corrections are incorporated on a monthly basis to provide contributors with the most up-to-date information.

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4